

# OPEN MEETING ITEM

**ORIGINAL**  
COMMISSIONERS  
DOUG LITTLE - Chairman  
BOB STUMP  
BOB BURNS  
TOM FORESE  
ANDY TOBIN



0000174385

ARIZONA CORPORATION COMMISSION  
CORP COUNCIL  
DOCKET CONTROL

2016 OCT 31 PM 2 35

DATE: OCTOBER 31, 2016

DOCKET NO.: T-20972A-16-0198

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Brian D. Schneider. The recommendation has been filed in the form of an Opinion and Order on:

CLEAR RATE TELECOM, LLC  
(CC&N / RESOLD / FACILITIES-BASED)

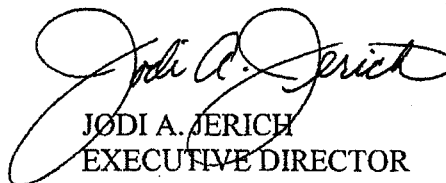
Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by 4:00 p.m. on or before:

NOVEMBER 9, 2016


The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

NOVEMBER 17, 2016

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

  
JODI A. JERICH  
EXECUTIVE DIRECTOR

Arizona Corporation Commission  
**DOCKETED**  
OCT 31 2016

DOCKETED BY 

1200 WEST WASHINGTON STREET; PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET; TUCSON, ARIZONA 85701-1347  
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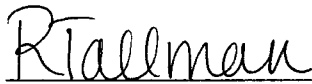
On this 31<sup>st</sup> day of October, 2016, the following document was filed with Docket Control as a Recommended Opinion & Order from the Hearing Division, and copies of the document were mailed on behalf of the Hearing Division to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the filed document to the following who have consented to email service.

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**Consented to Service by Email**

By:



Rebecca Tallman  
Assistant to Brian D. Schneider

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 DOUG LITTLE – Chairman  
4 BOB STUMP  
5 BOB BURNS  
6 TOM FORESE  
7 ANDY TOBIN

8 IN THE MATTER OF THE APPLICATION OF  
9 CLEAR RATE TELECOM, LLC FOR APPROVAL  
10 OF A CERTIFICATE OF CONVENIENCE AND  
11 NECESSITY TO PROVIDE INTRASTATE  
12 TELECOMMUNICATIONS SERVICES.

DOCKET NO. T-20972A-16-0198

DECISION NO. \_\_\_\_\_

**OPINION AND ORDER**

10 DATE OF HEARING: October 4, 2016

11 PLACE OF HEARING: Phoenix, Arizona

12 ADMINISTRATIVE LAW JUDGE: Brian D. Schneider

13 APPEARANCES: Mr. Charles R. Berry, CLARK HILL, P.L.C., on behalf  
14 of Clear Rate Telecom, LLC; and

15 Mr. Matthew Laudone, Staff Attorney, Legal Division,  
16 on behalf of the Utilities Division of the Arizona  
17 Corporation Commission.

18 **BY THE COMMISSION:**

19 On June 20, 2016, Clear Rate Telecom, LLC (“Clear Rate”) filed with the Arizona Corporation  
20 Commission (“Commission”) an application for a Certificate of Convenience and Necessity (“CC&N”)  
21 to provide resold long distance, resold local exchange, and facilities-based local exchange  
22 telecommunications services within the State of Arizona (“Application”). Clear Rate’s Application  
23 also requests a determination that its proposed services are competitive in Arizona.

24 On July 20, 2016, the Commission’s Utilities Division (“Staff”) filed its Letter of Sufficiency  
25 stating that Clear Rate’s application for a CC&N had met the sufficiency requirements as outlined in  
26 the Arizona Administrative Code (“A.A.C.”).

27 On July 28, 2016, a Procedural Order was issued setting the date for hearing on October 4,  
28 2016, and setting other procedural deadlines.

On August 11, 2016, Charles R. Berry filed his Notice of Appearance on behalf of Clear Rate.

1 On August 16, 2016, Clear Rate filed its Responses and Objections to Staff's First Set of Data  
2 Requests.

3 On September 6, 2016, Staff filed its Staff Report recommending approval of Clear Rate's  
4 application, subject to certain conditions.

5 On September 13, 2016, Clear Rate filed its Affidavit of Publication of the Notice of Hearing  
6 and Proof of Service.

7 On September 23, 2016, Clear Rate filed its Stipulated Motion to Allow Telephonic Testimony  
8 for the October 4, 2016, hearing, stating its witness, Haran Rashes, lives out of state and a personal  
9 appearance by Mr. Rashes would necessitate significant travel time and be less efficient than testifying  
10 telephonically.

11 On September 28, 2016, a Procedural Order was issued granting Clear Rate's Stipulated Motion  
12 to Allow Telephonic Testimony.

13 On October 4, 2016, a full public hearing was held as scheduled before a duly authorized  
14 Administrative Law Judge of the Commission. Clear Rate and Staff appeared through counsel and  
15 presented testimony and evidence. No members of the public appeared to give comments on the  
16 application.

17 \* \* \* \* \*

18 Having considered the entire record herein and being fully advised in the premises, the  
19 Commission finds, concludes, and orders that:

### 20 FINDINGS OF FACT

21 1. Clear Rate is a privately held, foreign limited liability corporation organized under the  
22 laws of Michigan and authorized to conduct business in Arizona.<sup>1</sup> Clear Rate is wholly owned by Clear  
23 Rate Communications, Inc. ("CRC"), a Michigan corporation.<sup>2</sup>

24 2. On June 20, 2016, Clear Rate filed its Application with the Commission to provide  
25 resold long distance, resold local exchange, and facilities-based local exchange telecommunications  
26 services within the State of Arizona. Clear Rate's Application also requested a determination that its

27 \_\_\_\_\_  
28 <sup>1</sup> Exhibit S-1, Staff Report, at 1.

<sup>2</sup> *Id.*

1 proposed services are competitive in Arizona.

2 3. Notice of Clear Rate's Application was given in accordance with the law.

3 **Technical Capability**

4 4. Clear Rate intends to offer both business and residential local exchange and  
5 interexchange services under one year contracts with an early termination fee of \$99.<sup>3</sup> Clear Rate  
6 indicated in its Application that upon receiving approval of its CC&N request, it will be requesting  
7 interconnection with CenturyLink in order to provide services through resale and the lease of  
8 unbundled network elements and other wholesale portions of CenturyLink's network in the  
9 CenturyLink Arizona territory.<sup>4</sup>

10 5. Currently, Clear Rate is authorized to provide local exchange and interexchange  
11 services in Virginia.<sup>5</sup> Clear Rate will utilize the staff, officers and management of CRC.<sup>6</sup> CRC is  
12 currently authorized to provide telecommunications services in sixteen (16) other jurisdictions.<sup>7</sup>

13 6. Clear Rate's team of officers have a combined thirty-nine (39) years of experience in  
14 the telecommunications industry.<sup>8</sup> Clear Rate indicated it does not plan to have employees in Arizona.<sup>9</sup>

15 7. Clear Rate utilizes a call center to provide customer support access and 24/7 business  
16 repair access to handle customer service issues.<sup>10</sup> Clear Rate also provides customer service support  
17 via e-mail.<sup>11</sup>

18 8. Staff believes Clear Rate possesses the technical capabilities to provide its proposed  
19 services in Arizona.<sup>12</sup>

20 **Financial Capabilities**

21 9. Clear Rate provided audited consolidated financial statements for the year ending  
22 December 31, 2014, listing total assets of \$1,722,917; total negative equity of \$1,658,871; and net

23 <sup>3</sup> Exhibit S-1 at 2.

24 <sup>4</sup> *Id.*

<sup>5</sup> Exhibit S-1 at 1.

25 <sup>6</sup> *Id.*

<sup>7</sup> California, Florida, Illinois, Indiana, Iowa, Massachusetts, Michigan, Minnesota, New York, Ohio, Oregon, Pennsylvania,  
26 Texas, Utah, Washington, and West Virginia. Exhibit S-1 at Attachment A.

<sup>8</sup> Exhibit S-1 at 1.

27 <sup>9</sup> *Id.*

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

28 <sup>12</sup> Exhibit S-1 at 2.

1 income of \$1,502,975.<sup>13</sup> For the year ending December 31, 2015, Clear Rate listed total assets of  
 2 \$1,236,078; total negative equity of \$1,157,635; and net income of \$1,498,764.<sup>14</sup>

### 3 **Rates and Charges**

4 10. Staff believes that Clear Rate will have to compete with other incumbent local exchange  
 5 carriers ("ILECs"), various competitive local exchange carriers ("CLECs"), and interexchange carriers  
 6 ("IXCs") in Arizona in order to gain new customers.<sup>15</sup> Staff states it does not believe Clear Rate will  
 7 be able to exert market power given its status as a new entrant in the market.<sup>16</sup>

8 11. Pursuant to A.A.C. R14-2-1109, the rates charged for each service Clear Rate proposes  
 9 to provide may not be less than Clear Rate's total service long-run incremental cost of providing that  
 10 service.

11 12. Clear Rate indicated that at the end of the first twelve months of operation the net book  
 12 value of all Arizona assets that could be used in the provision of telecommunications service in Arizona  
 13 customers will be \$0.<sup>17</sup>

14 13. Staff states that in general, rates for competitive services are not set according to rate of  
 15 return regulation.<sup>18</sup> Staff believes that Clear Rate's proposed rates will be heavily influenced by the  
 16 market.<sup>19</sup> Therefore, Staff states that while it considered the fair value rate base information submitted  
 17 by Clear Rate, that information was not afforded substantial weight in Staff's analysis.<sup>20</sup>

### 18 **Local Exchange Carrier Specific Issues**

19 14. Pursuant to A.A.C. R14-2-1308(A) and federal laws and rules, Clear Rate shall make  
 20 number portability available to facilitate the ability of customers to switch between authorized local  
 21 carriers within a given wire center without changing their telephone number and without impairment  
 22 to quality, functionality, reliability, or convenience of use.

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25 <sup>13</sup> *Id.*

26 <sup>14</sup> *Id.*

27 <sup>15</sup> *Id.*

28 <sup>16</sup> *Id.*

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*

<sup>19</sup> *Id.*

<sup>20</sup> *Id.*

1           15. Pursuant to A.A.C. R14-2-1204(A), all telecommunication service providers that  
2 interconnect to the public switched telephone network shall provide funding for the Arizona Universal  
3 Service Fund ("AUSF"). Clear Rate shall make payments to the AUSF described under A.A.C. R14-  
4 2-1204(B).

5           16. In Commission Decision No. 74208 (December 3, 2013), the Commission approved  
6 quality of service standards for Qwest d/b/a CenturyLink QC to insure customers received a satisfactory  
7 level of service. In this matter, Staff believes Clear Rate should be ordered to abide by those service  
8 standards.<sup>21</sup>

9           17. In areas where Clear Rate is the only local exchange service provider, Staff recommends  
10 that Clear Rate be prohibited from barring access to alternative local exchange service providers who  
11 wish to serve the area.<sup>22</sup>

12           18. Clear Rate states it will provide all customers with 911 and E911 service where  
13 available, or will coordinate with ILECs and emergency service providers to facilitate the service.<sup>23</sup>

14           19. Pursuant to prior Commission Decisions, Clear Rate may offer customers local area  
15 signaling services such as Caller ID and Call Blocking, so long as the customer is able to block or  
16 unblock each individual at no additional cost. Clear Rate shall offer Last Call Return service, which  
17 will not allow the return of calls to telephone numbers that have the privacy indicator activated.

18 **Complaint Information**

19           20. Clear Rate states it has not had an application for authority to provide service denied in  
20 any state/jurisdiction.<sup>24</sup>

21           21. Clear Rate indicated that none of its officers, directors, nor partners are currently  
22 involved in any formal or informal complaint proceedings before any state or federal regulatory,  
23 commission, administrative agency, or law enforcement agency.<sup>25</sup>

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26 <sup>21</sup> Exhibit S-1 at 3.

27 <sup>22</sup> *Id.*

28 <sup>23</sup> Exhibit S-1 at 4.

<sup>24</sup> *Id.*

<sup>25</sup> *Id.*

22. Clear Rate further indicated that none of its officers, directors or partners are currently involved in any civil or criminal investigations or been convicted of any criminal acts within the last ten (10) years.<sup>26</sup>

23. With its Application, Clear Rate submitted a number of previous legal proceedings in which CRC has been or is involved over the past ten (10) years:

- a) Seventeen (17) instances between June, 2007, and December, 2008, of the Federal Communications Commission ("FCC") denying unauthorized change in service ("slamming") complaints made with the FCC against CRC.
- b) Twenty (20) instances between October, 2007, and July, 2012, of the FCC upholding slamming complaints due to CRC's inadequate third-party verification or non-compliance with the exact wording preferred by the FCC in its slamming rules regarding authorization scripts.
- c) Forty-one (41) instances between April, 2013, and December, 2015, of the FCC upholding slamming complaints as the language used by CRC's third-party verification "did not establish whether the person was authorized to make the carrier change" as required by the FCC slamming rules. For fourteen (14) of these instances, CRC has filed with the FCC Applications for Review, claiming that in these instances, the FCC's conclusion was in error. These Applications for Review are currently pending.
- d) On July 6, 2007, a formal complaint was brought against CRC in Illinois by a customer alleging that his telephone service had been switched without authorization. On November 29, 2007, the complaint was dismissed by the Illinois Commerce Commission.<sup>27</sup>
- e) On February 15, 2011, a formal complaint was brought against CRC in Michigan by a customer regarding a billing dispute. On March 28, 2011, the complainant filed a request to withdraw the complaint.<sup>28</sup>
- f) On March 28, 2013, a complaint was brought against CRC by Frontier West Virginia, Inc. and Frontier Communications of West Virginia ("Frontier") alleging that CRC was misrepresenting itself as Frontier or a Frontier affiliate in slamming attempts. On April 5, 2013, CRC filed a counterclaim alleging Frontier of a pattern of denigrating CRC's name in an attempt to interfere with competition and was using the local Presubscribed Interexchange Carrier freeze process in an anti-competitive manner. On November 18, 2013, the parties entered into a Joint Stipulation and Agreement for Settlement agreeing on a detailed dispute resolution process.<sup>29</sup>

<sup>26</sup> *Id.*

<sup>27</sup> See *Harold Stout v. Clear Rate Commc'ns, Inc.*, Ill. Corp. Comm'n Docket No. 07-0406.

<sup>28</sup> See *In re Deborah Kaminiski v. Clear Rate Commc'ns, Inc.*, Mich. Pub. Serv. Comm'n Case No. U-16555.

<sup>29</sup> See *Frontier West Virginia, et al. v. Clear Rate Commc'ns, Inc.*, W. Va. Pub. Serv. Comm'n Case No. 13-0447-T-C.



- g) On May 3, 2013, a complaint was brought against CRC by the Indiana Attorney General regarding alleged violation of the Indiana Do Not Call List. On May 28, 2013, an Assurance of Voluntary Compliance was agreed upon between the parties and CRC was ordered to pay a \$5,000 civil and cost penalty.<sup>30</sup>
- h) On December 13, 2013, the West Virginia Public Service Commission ("West Virginia Commission") Staff requested an investigation against CRC for the improper imposition of a Carrier Access Charge ("CAC") without seeking prior approval. On August 20, 2014, the West Virginia Commission found that CRC did not seek approval prior to assessing the CAC and ordered CRC to file a tariff reflecting that change. Upon further investigation at the behest of West Virginia Commission Staff, on October 31, 2014, the West Virginia Commission found there had been no violation by CRC in regards to the placement of the CAC on a customer bill or lack of mention of the CAC in a CRC script read by CRC employees to customers.<sup>31</sup>
- i) In September, 2014, the West Virginia Attorney General's Office brought a complaint against CRC concerning CRC misrepresenting itself as the ILEC Frontier for the purpose of obtaining customers along with the charging of the CAC. On January 27, 2015, the parties entered into an Assurance of Discontinuance in which CRC agreed to 1) close all customer accounts which CRC viewed as delinquent, in default or in collections with a zero balance; 2) refund all early termination fees collected from West Virginia customers on or before December 31, 2013, who cancelled their service with CRC within the first sixty (60) days after solicitation; 3) apply a \$10.00 credit to each West Virginia consumer who had service with CRC as of August 31, 2014; 4) file a certificate of compliance with the West Virginia Attorney General; and 5) make a \$5,000 payment to the West Virginia Attorney General.<sup>32</sup>
- j) On September 23, 2015, the Michigan Public Service Commission issued a show cause alleging CRC was out of compliance with the requirement that it provide Telecommunications Relay Service to its customers. On November 19, 2015, a settlement agreement was reached that found CRC to be in compliance.<sup>33</sup>

24. Staff contacted the Public Utility Commission in six (6) states in which Clear Rate reported to have authority to provide telecommunications services.<sup>34</sup> Staff found that no complaints against CRC had been filed in Indiana, New York and Virginia.<sup>35</sup> In Michigan, Staff found that since August, 2013, there have been eighty-one (81) informal customer complaints against CRC regarding matters such as incorrect billing charges, poor service and repair issues.<sup>36</sup> In Oregon, Staff found that since August, 2015, there have been six (6) informal complaints against CRC mostly regarding

<sup>30</sup> See *Indiana v. Clear Rate Commc'ns, Inc.*, Marion Circuit Court Cause No. 49C01-1305-MI-016472.

<sup>31</sup> See *In re Clear Rate Commc'ns, Inc.*, W. Va. Pub. Serv. Comm'n Case No. 13-1818-T-GI.

<sup>32</sup> See *West Virginia v. Clear Rate Commc'ns, Inc.*, Kanawha Cty Circuit Court Civil Action No. 13-C-2357.

<sup>33</sup> See *In re Clear Rate Commc'ns, Inc.*, Mich. Pub. Serv. Comm'n Case No. U-17951.

<sup>34</sup> Indiana, Michigan, New York, Oregon, Virginia, and Washington. Exhibit S-1 at 6.

<sup>35</sup> Exhibit S-1 at 6.

<sup>36</sup> *Id.*

1 slamming.<sup>37</sup> In Washington, Staff found that in 2015 there had been one (1) complaint against CRC  
2 about deceptive marketing.<sup>38</sup>

3 25. According to Staff, Clear Rate is in good standing with the Commission's Corporations  
4 Division.<sup>39</sup> Per the Staff Report, a search of the FCC's website for Clear Rate found no additional  
5 complaints filed against Clear Rate.<sup>40</sup>

6 26. Staff states that while the complaints represent actions occurring in a minority of  
7 jurisdictions where CRC is providing service, it is concerned with the reoccurring incidences involving  
8 slamming especially considering Clear Rate will utilize the staff, officers and management of CRC.<sup>41</sup>  
9 Staff, therefore, recommends, as a compliance item in this docket, Clear Rate be required to file any  
10 formal or informal slamming complaints involving Arizona customers within ten (10) days of receipt  
11 of the complaint.<sup>42</sup>

#### 12 **Competitive Review**

13 27. Clear Rate's application requests that its proposed telecommunications services in  
14 Arizona be classified as competitive. Staff believes Clear Rate's proposed services should be classified  
15 as competitive because Clear Rate will have to compete with CLECs and ILECs to gain customers;  
16 there are alternative providers to Clear Rate's proposed services; IXC's, ILECs, and CLECs each hold  
17 a substantial share of the market; and Clear Rate will not have the ability to adversely affect the local  
18 exchange or IXC markets in Arizona.<sup>43</sup>

19 28. Based on the above factors, Staff concludes that Clear Rate's proposed services should  
20 be classified as competitive.<sup>44</sup>

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23 ...

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25 <sup>37</sup> *Id.*

26 <sup>38</sup> *Id.*

27 <sup>39</sup> *Id.*

28 <sup>40</sup> *Id.*

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> Exhibit S-1 at 6-9.

<sup>44</sup> Exhibit S-1 at 9 and 11.

1 **Staff's Recommendations**

2 29. Staff recommends approval of Clear Rate's application for a CC&N to provide resold  
3 long distance and facilities-based local exchange telecommunications services in Arizona, subject to  
4 the following conditions:

- 5 a) Clear Rate complies with all Commission Rules, Orders, and other requirements  
6 relevant to the provision of intrastate telecommunications services;
- 7 b) Clear Rate abides by the quality of service standards approved by the Commission for  
8 Qwest d/b/a Century/Link QC in Docket No. T-01051B-13-0199;
- 9 c) Clear Rate be prohibited from barring access to alternative local exchange service  
10 providers who wish to serve areas where Clear Rate is the only provider of local  
11 exchange service facilities;
- 12 d) Clear Rate notify the Commission immediately upon changes to its name, address, or  
13 telephone;
- 14 e) Clear Rate cooperate with Commission investigations including, but not limited to,  
15 customer complaints;
- 16 f) The rates proposed by this filing are for competitive services. In general, rates for  
17 competitive services are not set according to rate of return regulation. Staff obtained  
18 information from Clear Rate and has indicated that at the end of the first twelve (12)  
19 months of operation the net book value of all Arizona assets that could be used in the  
20 provision of telecommunications service to Arizona customers will be \$0. The rate to  
21 be ultimately charged by Clear Rate will be heavily influenced by the market.  
22 Therefore, while Staff considered the fair value rate base information submitted by  
23 Clear Rate, the fair value information provided was not given substantial weight in this  
24 analysis;
- 25 g) Clear Rate offer Caller ID with the capability to toggle between blocking and  
26 unblocking the transmission of the telephone number at no charge;
- 27 h) Clear Rate offer Last Call Return service that will not return calls to telephone numbers  
28 that have the privacy indicator activated; and
- i) The Commission authorize Clear Rate to discount its rates and service charges to the  
marginal cost of providing services.<sup>45</sup>

29 30. Staff further recommends that Clear Rate's CC&N be considered null and void after  
30 due process if Clear Rate fails to comply with the following conditions:

31 \_\_\_\_\_  
32 <sup>45</sup> Exhibit S-1 at 10.

- j) Clear Rate shall docket conforming tariff pages for each service within its CC&N within 365 days from the effective date of an Order in this matter or 30 days prior to providing service, whichever comes first;
- k) Clear Rate shall notify the Commission through a compliance filing within 30 days of the commencement of service to end-user customers;
- l) Clear Rate shall abide by the Commission adopted rules that address Universal Service in Arizona. A.A.C. R14-2-1204(A) indicates that all telecommunications service providers that interconnect into the public switched network shall provide funding for the AUSF. Clear Rate shall make the necessary monthly payments required by A.A.C. R14-2-1204(B); and
- m) Clear Rate shall file in this docket any formal or informal slamming complaints involving Arizona customers within ten (10) days of receipt of the complaint.<sup>46</sup>

31. Staff further recommends that Clear Rate's proposed services be classified as competitive.<sup>47</sup>

32. Staff's recommendations are reasonable and should be adopted.

### CONCLUSIONS OF LAW

1. Clear Rate is a public service corporation within the meaning of Article XV of the Arizona Constitution, A.R.S. §§ 40-281 and 40-282.

2. The Commission has jurisdiction over Clear Rate and the subject matter of its Application.

3. Notice of Clear Rate's Application was given in accordance with the law.

4. A.R.S. § 40-282 allows a telecommunications company to file an application for a CC&N to provide competitive telecommunication services.

5. Pursuant to Article XV of the Arizona Constitution, as well as the Arizona Revised Statutes, it is in the public interest for Clear Rate to provide the telecommunications services as set forth in its Application.

6. Clear Rate is a fit and proper entity to receive a CC&N authorizing it to provide intrastate telecommunications services in Arizona, subject to Staff's recommendations as set forth herein.

7. The telecommunications services Clear Rate intends to provide are competitive within

<sup>46</sup> Exhibit S-1 at 10-11.

<sup>47</sup> Exhibit S-1 at 11.

1 Arizona.

2 8. Pursuant to Article XV of the Arizona Constitution as well as the Competitive Rules, it  
3 is just and reasonable and in the public interest for Clear Rate to establish rates and charges that are not  
4 less than Clear Rate's total service long-run incremental costs of providing the competitive services  
5 approved herein.

6 9. Staff's recommendations are reasonable and should be adopted.

7 **ORDER**

8 IT IS THEREFORE ORDERED the application of Clear Rate Telecom, LLC for a Certificate  
9 of Convenience and Necessity to provide resold and facilities-based long distance, resold and facilities-  
10 based local exchange, and access telecommunications in Arizona, is hereby approved, subject to Staff's  
11 recommendations as more fully described in Findings of Fact Nos. 29 and 30.

12 IT IS FURTHER ORDERED that Clear Rate Telecom, LLC's telecommunications services are  
13 competitive in Arizona.

14 IT IS FURTHER ORDERED that if Clear Rate Telecom, LLC fails to comply with the Staff  
15 recommendation described in Findings of Fact No. 30, the Certificate of Convenience and Necessity  
16 granted herein shall be considered null and void after due process.

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IT IS FURTHER ORDERED Clear Rate Telecom, LLC shall file, as a compliance item in this docket, any formal or informal slamming complaints involving Arizona customers within ten (10) days of receipt of the complaint.

IT IS FURTHER ORDERED this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN LITTLE

COMMISSIONER STUMP

COMMISSIONER FORESE

COMMISSIONER TOBIN

COMMISSIONER BURNS

IN WITNESS WHEREOF, I, JODI A. JERICH, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

JODI A. JERICH  
EXECUTIVE DIRECTOR

DISSENT \_\_\_\_\_

DISSENT \_\_\_\_\_  
BDS:rt

SERVICE LIST FOR:

CLEAR RATE TELECOM, LLC

DOCKET NO.:

T-20972A-16-0198

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